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Item 126 of the preliminary list*
Scale of assessments for the apportionment of the expenses of the United Nations

Multi-year payment plans

Report of the Secretary-General

Summary

In its resolution 57/4 B, the General Assembly endorsed the conclusions and recommendations of the Committee on Contributions concerning multi-year payment plans. In that connection, the Secretary-General was requested to provide information on the submission of such plans to the General Assembly, through the Committee on Contributions. The Secretary-General was also requested to submit an annual report to the General Assembly, through the Committee on Contributions, on the status of Member States' payment plans at 31 December each year. The present report is submitted in compliance with those requests and provides information on payment plans/schedules submitted earlier by Georgia, the Republic of Moldova, Sao Tome and Principe and Tajikistan and on the status of implementation of those plans at 31 December 2002.

The Assembly may wish to take note of the report and encourage Member States with significant arrears of contributions to consider submitting a multi-year payment plan.

* A/58/50.

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I. Introduction

1. In its resolution 56/243 A of 24 December 2001, the General Assembly, inter alia, recognized that multi-year payment plans, subject to careful formulation, could be helpful in allowing Member States to demonstrate their commitment under Article 19 of the Charter to pay their arrears, thereby facilitating consideration of applications for exemption by the Committee on Contributions and requested the Secretary-General to propose guidelines for such multi-year payment plans through the Committee on Contributions.

2. After considering the report of the Secretary-General on multi-year payment plans[1] at its sixty-second session in 2002,[2] the Committee on Contributions agreed that Member States should be encouraged to submit such plans, which constitute a useful tool for reducing their unpaid assessed contributions and a way for them to demonstrate their commitment to meeting their financial obligations to the United Nations. The Committee recognized in that regard that due consideration should be given to the economic position of Member States, as not all of them might be in a position to submit such plans. The Committee recommended that multi-year payment plans should remain voluntary and should not be automatically linked to other measures.

3. The Committee also recommended that Member States considering a multi-year payment plan should submit the plan to the Secretary-General for the information of other Member States and should be encouraged to consult the Secretariat for advice in its preparation. In that context, it was suggested that:

(a) The plans should provide for payment each year of the Member State's current year assessments and a part of its arrears;

(b) Where possible, the plans should generally provide for elimination of a Member State's arrears within a period of up to six years.

4. The Committee further recommended that the Secretary-General should be requested to provide information on the submission of such plans to the General Assembly, through the Committee on Contributions. It recommended that the Secretary-General should also be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of Member States' payment plans at 31 December each year.

5. The Committee also recommended that, for those Member States that are in a position to submit a payment plan, the Committee on Contributions and the General Assembly should take the submission of a plan and its status of implementation into account as one factor when they consider requests for exemption under Article 19.

6. In its resolution 57/4 B of 20 December 2002, the General Assembly endorsed the conclusions and recommendations contained in paragraphs 17 to 23 of the report of the Committee on Contributions on its sixty-second session.[2]

II. Submission of multi-year payment plans

7. Since the adoption of resolution 57/4 B, there have been no new submissions of multi-year payment plans. In the announcement concerning the sixty-third session of the Committee on Contributions, to be included in the Journal of the United

Nations from 1 February to 19 May 2003, the Secretariat has invited Member States considering the submission of a multi-year payment plan to contact the Secretariat for further information. Should any payment plans be submitted in future, related information will be provided in an addendum to the present report or in the report to be submitted to the General Assembly at its fifty-ninth session.

8. As indicated in the aforementioned report of the Committee on Contributions,[3] a number of Member States have submitted payment plans or schedules. The most recent plans submitted by Georgia and the Republic of Moldova are within the six-year time frame mentioned by the Committee, while those submitted by Sao Tome and Principe and Tajikistan have durations of 8 and 11 years, respectively. For the purposes of the present report, payments are taken to include cash payments by the Member States concerned, together with the application of any credits arising to their account during the period concerned. Related information is provided below.

Georgia

9. The Government of Georgia indicated to the Committee on Contributions, at the special session of the Committee, in 1999, that it intended to submit a schedule of future payments. It did so in 2000 at the sixtieth session of the Committee. At the sixty-first session of the Committee, in 2001, the Government of Georgia submitted a revised schedule and, under cover of his letter of 4 May 2002 to the President of the General Assembly, the Minister for Foreign Affairs of Georgia submitted a further revision of the schedule. Those submissions are summarized below:

	Schedule proposed in:		
	2000	*2001*	*2002*
	(United States dollars)		
2000	180 000		
2001	707 104	801 300	
2002	707 104	711 549*	671 818
2003	707 104	711 549*	1 260 272*
2004	1 060 656	1 067 324*	1 260 272*
2005	1 060 656	1 067 324*	1 260 272*
2006	1 414 208	1 423 094*	1 260 272*
2007	1 414 208	1 423 094*	1 260 272*

* Plus contributions for the current year.

10. If fully implemented, the most recent schedule proposed by the Government of Georgia would involve payments totalling $6,973,178 plus the amounts assessed for 2003-2007. It would reduce Georgia's outstanding assessed contributions at the end of 2007 to $114,843.

The Republic of Moldova

11. At the special session of the Committee on Contributions in 1996, the Government of the Republic of Moldova indicated its intention to pay its arrears of assessed contributions to the United Nations over a period of seven years. The Government indicated revised schedules of payments at the fifty-ninth and sixty-first sessions of the Committee, in 1999 and 2001, respectively, which are summarized below:

	Schedule proposed in:		
	1996	*1999*	*2001*
	(United States dollars)		
1996	1 000 000		
1997	1-1.2 million		
1998	1-1.2 million		
1999	1-1.2 million		
2000	1-1.2 million	500 000	
2001	1-1.2 million	558 947	180 000
2002	1-1.2 million	700 000	500 000
2003	1-1.2 million	700 000	800 000
2004	1-1.2 million	700 000	820 000
2005	1-1.2 million		1 000 000

12. If fully implemented, the most recent schedule proposed by the Government of the Republic of Moldova would involve payments totalling $3.3 million. It would reduce the Government's outstanding assessed contributions at the end of 2005 to its total assessments during the period 2001-2005 minus $43,462.

Sao Tome and Principe

13. Under cover of his letter of 17 May 2002 to the President of the General Assembly, the Chargé d'affaires a.i. of Sao Tome and Principe to the United Nations submitted the following calendar of future payments:

	Payment (United States dollars)
2002	27 237
2003	42 237
2004	59 237
2005	74 237
2006	89 237
2007	114 237
2008	134 237
2009	153 752

14. If fully implemented, the schedule proposed by the Government of Sao Tome and Principe would involve payments totalling $693,896. It would reduce the Government's outstanding assessed contributions at the end of 2009 to its total assessments during the period 2002-2009 minus $95,521.

Tajikistan

15. In his letter of 15 September 2000 to the President of the General Assembly, the Prime Minister of Tajikistan indicated that his Government had paid $65,250.76 that year and proposed a plan for the phased reduction of its arrears, which is summarized below:

	Payment (United States dollars)
2000	65 251
2001	67 822
2002	67 822
2003	67 822
2004	67 822
2005	67 822
2006	203 466
2007	203 466
2008	203 467
2009	203 467
2010	203 467

16. If fully implemented, the schedule proposed by the Government of Tajikistan would involve payments totalling $1,421,674. It would reduce the Government's outstanding assessed contributions at the end of 2010 to $1,014,534 plus its total assessments during the period 2000-2010.

Other Member States

17. As indicated above, at this point no other Member States have submitted payment plans or schedules for the elimination of their arrears. While it is not possible to predict which Member States may choose to submit multi-year payment plans in future, it is reasonable to assume that Member States may be more likely to avail themselves of that option if their outstanding assessed contributions are high in relation to the current level of their assessed contributions. The table below shows the distribution of Member States' unpaid assessed contributions at 31 December 2002 in relation to the level of their assessed contributions for 2002. It does not include the two Member States that were admitted to the Organization in September 2002, as they had no arrears at 31 December 2002.

Outstanding assessed contributions at 31 December 2002 were the following proportion of 2002 assessments	*Number of Member States*	*Total amount outstanding at 31 December 2002*
Less than 100 per cent	113	1 250 761 143
100-199 per cent	36	26 941 670
200-299 per cent	20	157 030 037
300-399 per cent	4	552 541
400-499 per cent	1	786 968
More than 499 per cent	15*	247 614 309

* Including four Member States that have submitted payment plans.

III. Status of Member States' payment plans at 31 December 2002

18. The status of implementation of the most recent payment plans submitted by Georgia, the Republic of Moldova, Sao Tome and Principe and Tajikistan at 31 December 2002 is summarized below.

Status of payment plans at 31 December 2002

(United States dollars)

	Georgia				*Republic of Moldova*			
	Most recent plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Most recent plan*	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				7 205 324				3 386 720
2000		116 120	184 443	7 188 001		161 436	324 618	3 256 538
2001		87 686	302 218	6 973 469	180 000	38 395	163 254	3 131 810
2002	671 818	114 552	70 298	7 019 723	500 000	56 202	516 732	2 679 236
2003	1 260 272*				800 000			
2004	1 260 272*				820 000			
2005	1 260 272*				1 000 000			
2006	1 260 272*							
2007	1 260 272*							
2008								
2009								
2010								

	Sao Tome and Principe				*Tajikistan*			
	Payment plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				570 783				2 436 208
2000		13 543	48	584 278	65 231	63 507	205 389	2 294 326
2001		14 254	157	598 375	67 822	18 727	296 251	2 046 802
2002	27 237	15 723	29 146	584 952	67 822	22 205	306 961	1 765 046
2003	42 237				67 822			
2004	59 237				67 822			
2005	74 237				67 822			
2006	89 237				203 466			
2007	114 237				203 466			
2008	134 237				203 467			
2009	153 752				203 467			
2010					203 467			

* Plus contributions for the current year.

19. As indicated in the table, the Government of Tajikistan has significantly exceeded the payments for 2000, 2001 and 2002 foreseen in its most recent schedule. As a result, should the Government make the payments currently planned during the period 2003-2010, its outstanding assessed contributions at the end of 2010 would amount to $543,707 plus the amount of its assessments during the period 2003-2010.

20. Payments by the Government of Sao Tome and Principe during the first year of its payments schedule, at $29,146, somewhat exceeded the planned figure of $27,237. Payments by the Government of the Republic of Moldova during 2001-2002 were slightly under the total planned figure of $680,000, with an underpayment of $16,746 in 2001 and an excess payment of $16,732 in 2002.

21. Payments by the Government of Georgia during the first year of its most recent schedule, at $70,298, were below the planned amount of $671,818.

IV. Conclusions and recommendations

22. The General Assembly may wish to take note of the present report and encourage Member States with significant arrears of contributions to consider submitting a multi-year payment plan.

Notes

[1] A/57/65.

[2] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 11* (A/57/11), chapter IV A.

[3] Ibid., chapter V.